

Department of Justice

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DELAWARE JEEP PARTS COMPANY CHARGED WITH RIGGING BIDS ON MILITARY SURPLUS MATERIAL

WASHINGTON, D.C. -- Federal antitrust prosecutors charged the owner of a Dover, Delaware, parts company today with conspiring to rig bids on the purchase of \$200,000 worth of military surplus material sold at government auctions in the Harrisburg, Pennsylvania, area, the Department of Justice announced.

In a one-count felony charge filed in U.S. District Court in Harrisburg, Pennsylvania, the Department of Justice's Antitrust Division charged Thomas W. Murray with conspiring to rig bids on the purchase of military surplus sold by the Defense Reutilization and Marketing Office, an agency of the Defense Logistics Agency. The Department said the bid rigging conspiracy occurred from 1992 through December 1994.

According to the charge, Murray conspired with others to suppress and eliminate competition for military surplus offered for sale at Defense Reutilization and Marketing Office auction sites in Mechanicsburg and Chambersburg, Pennsylvania. Murray and others carried out the conspiracy by discussing their bids with one another before various items were offered for sale at the auction sites. These discussions included the bid price and designating the winning bidder.

Anne K. Bingaman, Assistant Attorney General in charge of the Antitrust Division, said the charge resulted from an ongoing federal grand jury investigation of bid rigging and related violations on military surplus auctions conducted by the Defense Reutilization and Marketing Office. The case was filed by the Antitrust Division's Philadelphia Field Office with the assistance of the Defense Criminal Investigative Service, the investigative arm of the

Department of Defense Inspector General, and the United States Naval Criminal Investigative Service.

The maximum penalty for an individual convicted of a violation of the Sherman Act committed after November 16, 1990, is three years in jail and the greatest of \$350,000, twice the pecuniary gain the individual derived from the crime or twice the pecuniary loss caused to the victims of the crime.

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